

Industrial Commission

Analyst: Milstead

Historical Summary

OPERATING BUDGET	FY 2000 Actual	FY 2001 Actual	FY 2002 Approp	FY 2003 Request	FY 2003 Gov Rec
BY PROGRAM					
Compensation	3,774,400	3,763,600	4,468,000	4,694,700	4,648,300
Rehabilitation	2,951,900	2,929,300	3,354,300	3,425,400	3,390,700
Crime Victims Compensation	2,057,400	2,071,200	3,225,700	3,332,200	3,236,100
Adjudication	1,600,900	1,617,400	1,872,700	1,858,700	1,841,000
Total:	10,384,600	10,381,500	12,920,700	13,311,000	13,116,100
BY FUND CATEGORY					
Dedicated	9,919,400	9,863,700	12,391,000	12,763,500	12,586,400
Federal	465,200	517,800	529,700	547,500	529,700
Total:	10,384,600	10,381,500	12,920,700	13,311,000	13,116,100
Percent Change:		0.0%	24.5%	3.0%	1.5%
BY OBJECT OF EXPENDITURE					
Personnel Costs	5,616,500	5,685,900	6,566,200	6,625,800	6,569,900
Operating Expenditures	1,842,500	1,715,300	2,293,600	2,375,600	2,336,000
Capital Outlay	324,600	204,100	283,500	203,900	203,900
Trustee/Benefit	2,601,000	2,776,200	3,777,400	4,105,700	4,006,300
Total:	10,384,600	10,381,500	12,920,700	13,311,000	13,116,100
Full-Time Positions (FTP)	136.00	138.00	138.50	136.50	136.50

Department Description

The Industrial Commission was established in 1918 to ensure that Idaho's Workers' Compensation Law is impartially and efficiently administered. It encourages safe working environments, prompt and accurate benefit payments, timely dispute resolution, and quality vocational rehabilitation services. The Commission maintains files of all industrial accidents and illnesses and keeps records of employers and their workers compensation insurance companies.

The COMPENSATION PROGRAM includes benefits administration, employer compliance, fiscal, information systems, and the human resources section. Responsibilities of the Compensation Program include evaluating insurance carriers and employers wishing to become self-insured; enforcing the coverage requirements; and monitoring benefit payments.

The REHABILITATION PROGRAM is a neutral party that supports a worker's medical recovery and assists in reducing their period of temporary disability resulting from an industrial injury. This program facilitates returning the worker to gainful employment at as close as possible to their pre-injury status and wage. The Rehabilitation Program is concerned with both physical and vocational rehabilitation with special emphasis on job placement. Consultants serve injured workers from ten field offices across the state.

The CRIME VICTIMS COMPENSATION PROGRAM was established in 1986 to help offset the out-of pocket expenses incurred by innocent victims of crime. Benefits are paid only for costs such as medical and mental health care, lost wages, loss of support, and funeral expenses up to a maximum of \$25,000 per victim per crime. Property damages are not eligible. Funds are generated by surcharges on convictions or pleadings of guilt. Certain restitution and prison payment programs are also directed to the fund.

The ADJUDICATION PROGRAM consists of three commissioners appointed by the Governor who sit as a judicial body to hear and adjudicate disputes arising between injured workers and employers, and to provide judicial review of decisions from the Department of Labor. The Commission also provides a mediation process which is available at any stage of the claim to assist the parties reach a successful resolution of a dispute.

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Comparative Summary

Decision Unit	AGENCY REQUEST		GOVERNOR'S REC	
	General	Total	General	Total
FY 2002 Original Appropriation	0	12,920,700	0	12,920,700
1. Industrial Safety/Logging Safety Pgm	0	152,300	0	152,300
FY 2002 Total Appropriation	0	13,073,000	0	13,073,000
Expenditure Adjustments	0	0	0	0
FY 2002 Estimated Expenditures	0	13,073,000	0	13,073,000
Removal of One-Time Expenditures	0	(301,500)	0	(301,500)
Base Adjustments	0	0	0	0
FY 2003 Base	0	12,771,500	0	12,771,500
Personnel Cost Rollups	0	34,300	0	34,300
Inflationary Adjustments	0	128,400	0	0
Replacement Items	0	221,700	0	221,700
Nonstandard Adjustments	0	89,200	0	88,600
Change in Employee Compensation	0	55,900	0	0
FY 2003 Program Maintenance	0	13,301,000	0	13,116,100
1. Division of Building Safety	0	10,000	0	0
FY 2003 Total	0	13,311,000	0	13,116,100
Change from Original Appropriation	0	390,300	0	195,400
% Change from Original Appropriation		3.0%		1.5%
Change in FTP's		(2.00)		(2.00)

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2002 Original Appropriation	138.50	0	12,391,000	529,700	12,920,700

1. Industrial Safety/Logging Safety Pgms

Compensation

This supplemental is necessary to bring the FY 2002 Trustee & Benefit payment appropriation equal to the amount appropriated from the Industrial Commission's Compensation Program to the Division of Building Safety for the Industrial and Logging Safety programs.

Agency Request	0.00	0	152,300	0	152,300
Governor's Recommendation	0.00	0	152,300	0	152,300

FY 2002 Total Appropriation					
Agency Request	138.50	0	12,543,300	529,700	13,073,000
Governor's Recommendation	138.50	0	12,543,300	529,700	13,073,000

Expenditure Adjustments

Compensation, Rehabilitation, Adjudication

Transfer of .5 FTP and personnel costs from the Rehabilitation Program to Compensation Program to increase two positions by .25 FTP; transfer .5 FTP Judicial Administrator position and personnel costs from the Adjudication Program to the Compensation Program to use with .5 FTP (judicial administrator position) for Bureau Chief Benefits Administration; eliminate 1.0 FTP Department of Labor appeals referee and retain .5 funding for temporary help; eliminate transcriptionist position and move funding to operating to pay court reporter to do the work.

Agency Request	(2.00)	0	0	0	0
Governor's Recommendation	(2.00)	0	0	0	0

FY 2002 Estimated Expenditures					
Agency Request	136.50	0	12,543,300	529,700	13,073,000
Governor's Recommendation	136.50	0	12,543,300	529,700	13,073,000

Removal of One-Time Expenditures

Compensation, Rehabilitation

Reflects removal of one-time expenditures, including miscellaneous computer equipment and upgrades, hardware for a document management system, and an enhanced firewall system.

Agency Request	0.00	0	(301,500)	0	(301,500)
Governor's Recommendation	0.00	0	(301,500)	0	(301,500)

Base Adjustments

Reflects the transfer of 1 FTP (Office Specialist II) from Rehabilitation Program to Compensation Program with personnel costs appropriation to be used for Compliance Investigator position.

Agency Request	0.00	0	0	0	0
Governor's Recommendation	0.00	0	0	0	0

FY 2003 Base					
Agency Request	136.50	0	12,241,800	529,700	12,771,500
Governor's Recommendation	136.50	0	12,241,800	529,700	12,771,500

Personnel Cost Rollups

Includes the employer portion of estimated changes in employee benefit costs.

Agency Request	0.00	0	34,300	0	34,300
Governor's Recommendation	0.00	0	34,300	0	34,300

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Inflationary Adjustments					
Includes a general inflationary increase of 1.7% in operating expenses and a medical inflationary increase of 3.4% in trustee/ benefit payments.					
Agency Request	0.00	0	110,600	17,800	128,400
<i>The Governor recommends no increase for inflation.</i>					
Governor's Recommendation	0.00	0	0	0	0
Replacement Items					
Compensation - Replacement Capital Outlay: 15 PCs (\$22,500), printer (\$2,500), power supply (\$13,000), and one SUV (\$26,000).					
Rehabilitation - Replacement Capital Outlay: 14 PCs (\$21,000), six routers and lines for field offices (\$18,600), four servers (\$24,000), seven digital cameras (\$3,200), four fax machines (\$3,100) and three vehicles (\$42,000). Replacement Operating Expenses: data lines for field offices (\$17,800).					
Crime Victims Compensation - Replacement Capital Outlay: six PCs (\$9,000).					
Adjudication - Replacement Capital Outlay: 11 PCs (\$16,500), printer (\$2,500).					
Agency Request	0.00	0	221,700	0	221,700
Governor's Recommendation	0.00	0	221,700	0	221,700
Nonstandard Adjustments				Rehabilitation	
Reflects adjustments in Attorney General, Controller, and Treasurer fees. Also, provides additional spending authority for the Division of Building Safety's Industrial Safety and Logging Safety programs. Includes \$600 in Building Services Space charges for the Rehabilitation Program.					
Agency Request	0.00	0	89,200	0	89,200
<i>The Governor recommends no adjustment to building space charges for state agencies.</i>					
Governor's Recommendation	0.00	0	88,600	0	88,600
Change in Employee Compensation					
Reflects the cost of a 1% salary increase for permanent and group positions.					
Agency Request	0.00	0	55,900	0	55,900
<i>The Governor recommends state employee compensation increases to be made from salary savings.</i>					
Governor's Recommendation	0.00	0	0	0	0
FY 2003 Program Maintenance					
Agency Request	136.50	0	12,753,500	547,500	13,301,000
Governor's Recommendation	136.50	0	12,586,400	529,700	13,116,100
1. Division of Building Safety				Compensation	
This enhancement would provide the Industrial Commission with \$10,000 in trustee & benefit payments which would be necessary in the event the Division of Building Safety's enhancement request for a Boiler and Pressure Vessel consultant is approved.					
Agency Request	0.00	0	10,000	0	10,000
<i>The Governor does not recommend the Division of Building Safety's enhancement and consequently does not recommend increasing the Commission's spending authority for that purpose.</i>					
Governor's Recommendation	0.00	0	0	0	0
FY 2003 Total					
Agency Request	136.50	0	12,763,500	547,500	13,311,000
Governor's Recommendation	136.50	0	12,586,400	529,700	13,116,100

Industrial Commission

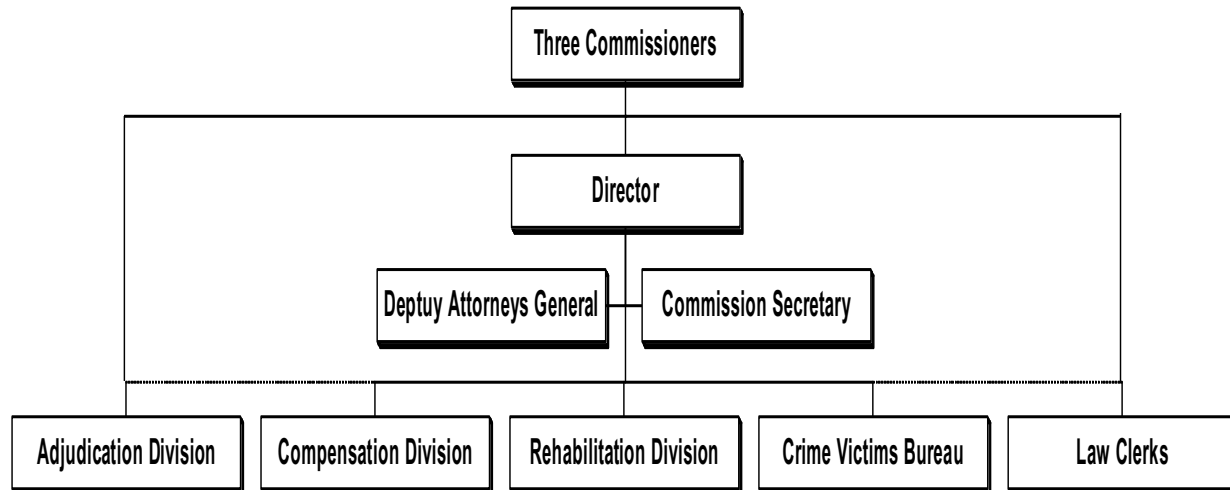
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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<i>Agency Request</i>					
Change from Original App	(2.00)	0	372,500	17,800	390,300
% Change from Original App	(1.4%)		3.0%	3.4%	3.0%
<i>Governor's Recommendation</i>					
Change from Original App	(2.00)	0	195,400	0	195,400
% Change from Original App	(1.4%)		1.6%	0.0%	1.5%

Industrial Commission Issues & Information

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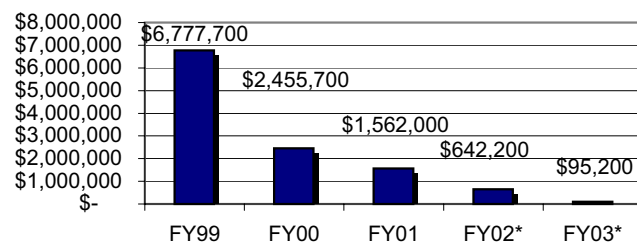
Industrial Commission
138.00 FTP



INDUSTRIAL ADMINISTRATION FUND FY 2001 ACTUAL REVENUE

Source	Amount	%
Workers Comp Premium Tax	\$6,609,600	88.4%
Interest Earnings	\$401,400	5.4%
Penalties	\$298,400	4.0%
Technical Services	\$140,600	1.9%
All Other	\$22,700	0.3%
TOTAL	\$7,472,700	

Industrial Administrative Fund Balance

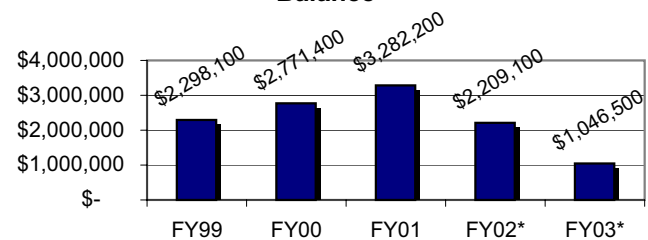


CRIME VICTIMS COMPENSATION FUND FY 2001 ACTUAL REVENUE

Source	Amount	%
Fines*	\$1,777,800	86.1%
Restitution	\$195,200	9.5%
Subrogation	\$80,700	3.9%
Donations	\$11,200	0.5%
All Other	\$500	0.0%
TOTAL	\$2,065,400	

*Surcharge on convictions: \$25 for misdemeanors, \$50 for felonies, \$200 additional for any sex offense.

Crime Victims Compensation Fund Balance



* Figures are based on revenue projections for FY 2002 & FY 2003.